



elmwood

Andrex Toilet Tissue

Building emotional engagement

Category
4 Packaging

Sub Category
4.3 Branded – other

Client
Kimberly-Clark

Design Consultancy
Elmwood

Date
June 2012



2. Executive summary

Andrex Toilet Tissue

06
years of
volume
decline

0-50%
brand
bonding
decline



After: Andrex Toilet Tissue



Before: Andrex Toilet Tissue

Andrex is the UK's No.1 non-food brand and their puppy is Britain's favourite brand icon. However, consumers were increasingly viewing the brand as 'not relevant'. Brand bonding figures had reduced by 50%, 67% of volume was sold on deal and volume sales had been decreasing for six years.

In a declining market, *Andrex* needed to justify its price premium, emotionally re-engage with customers and stand out on shelf – all in a category that's shopped in just three seconds.

2. Executive summary continued

Andrex Toilet Tissue

+13%
volume
increase

+32%
increase
in brand
bonding

The results gained from *Andrex*'s new packaging exceeded expectations. Post-relaunch, value and volume sales increased in every quarter in 2011, and overall volume sales across all dry toilet tissue, up to May 2012, increased by **60.5 million rolls** (Nielsen MAT to 12.05.12 vs. previous year).

2011 revenue was an **all-time record**, with a **three-year high** of net sales value and a **three-year high** in operating profit.

Brand bonding has increased by **32%** and *Andrex* scored more highly on all given attributes during research including 'is worth the price' (Brainjuicer).

Ultimately, *Andrex* is now seen to be kind, calm and offering extra value – leading to an increase in penetration. Charmin and own brand sales declined in 2011 – demonstrating that *Andrex* has taken sales away from its competitors and that consumers are now putting *Andrex* on their shopping lists.



3. Project overview

Andrex Toilet Tissue



Britain's favourite brand icon

Outline of brief

Andrex is the UK's No.1 non-food brand. The puppy is Britain's favourite brand icon and one in ten homes own an *Andrex* toy puppy. However, although *Andrex* is a well-loved brand and famous for being 'soft, strong and long', it was increasingly seen as 'not relevant' by consumers.

Key brand metrics were diminishing significantly. Brand bonding figures had declined by over 50% over seven years to 25% (2010) and emotional attributes such as 'brand I love' and 'feel close to' were eroding.

The famous puppy wasn't reaching its full potential, with 67% of volume being sold on deal in February 2010 (Nielsen to w/c 5/03/10). Volume sales had been in decline for six years and the total category was also in decline by -1% (Nielsen UK).

Consumers needed a reason to believe in *Andrex* over own-label, and 'why should I pay more?' was the overriding mindset. The impact of the brand's packaging with the consumer in store, at the point of sale, was identified as the key area for improvement.

The aim of *Andrex*'s rebrand and packaging redesign was to:

- Stand out as the brand leader at the point of sale
- Emotionally re-engage with consumers in a low-interest category
- Justify its price premium and reassure consumers about its value
- Create a brand packaging architecture and messaging hierarchy framework to unify the entire European brand portfolio.

Specific business objectives:

1. To secure scale of 1-2% annual volume growth over 5 years
2. To improve the quality of revenue and gross margin
3. To increase value sales ahead of volume sales (by driving premium volume and base sales)
4. To deflect attention from price to value (stabilise 'relevance' = 'costs more than I'm prepared to pay')
5. To reassert functional and emotional strengths
6. To make consumers reappraise the brand and to put *Andrex* on the shopping list – not just toilet roll.



3. Project overview continued

Andrex Toilet Tissue



Old packaging on shelf



The competition

Description

Andrex is the market leader in the dry toilet roll category. Mainline basic rolls account for 80% of Andrex's dry toilet roll business, and the rest is made up of the premium added benefit range.

Overview of market

The dry toilet tissue market is worth more than £1 billion in the UK, with mainstream white products accounting for 58.9% volume of the entire market (Superbrands, 2012). Andrex has been the market leader since 1961. Prior to Andrex's relaunch in 2010, its market share was 31.9% value and 24.9% volume (Nielsen).

The bathroom toilet tissue category is a low interest category, usually shopped in three seconds which means there's little chance for emotional engagement. The category is dominated by own-label, with other branded competition from Cushelle and Velvet. Both of these brands are Andrex followers and are not doing anything different.

- High penetration market – 96%
- Highly competitive
- Brand switching prevalent – lack of loyalty
- Category reliant on price deals
- Little innovation in product and pack design – needed to re-engage and reconnect.

Andrex's challenge was that consumers perceived no real difference between Andrex and own-label. Why would they pay more for a brand when there seemed to be little functional differentiation? People loved the puppy as an advertising icon, but it lost relevance when consumers were faced with making purchasing decisions in store.

Project launch date

March 2011

Size of design budget

£60,000 for initial UK redesign, providing a framework for European roll-out

3. Project overview continued

Andrex Toilet Tissue

CUSPS CURVES



Cusps in nature



Curves in nature

Outline of design solution

The UK pack was our start point in creating an iconic solution and consistent packaging architecture.

The pack was complex, shiny and basic, with inconsistencies. *Andrex* needed to stand out on shelf, justify its price premium and emotionally re-engage with consumers, all in a category that's shopped in three seconds.

We identified conflicts faced by the brand, namely be the quality brand leader vs. provide value for money, enable complex messages vs. be simple and iconic, emotionally engage vs. low interest category. The answers for the packaging solution lay in effectively using sentic triggers.

The sensory science

Evolution has equipped us with instincts to keep us safe, think 'fight or flight'. Similarly, sentic triggers generate emotion and action without using the conscious part of our brains. This is exactly what we needed to tap into.

Nature is full of sentic triggers, including cusps and curves. Cusp shapes get our attention by signaling fear and caution. Instinctively you know a thorn is sharp or a shark fin spells danger.

There's nothing threatening about a peach. Curves suggest softness, comfort and safety.

The physical structure of something can communicate meaning. You know one of these vehicles is fast and expensive, and the other's a strong work horse.



3. Project overview continued

Andrex Toilet Tissue



Cusps draw attention to the brand mark

Designed for softness and strength

We used sentic triggers to reinforce Andrex's 'soft, strong and long' proposition. Cusps draw attention to the brand mark, making Andrex the signpost brand, whereas curves in the typography/product window and a soothing colour vignette emphasise softness and quality.

The design and substrate accentuate the pack's chunky, pillow-like shape, suggesting softness and strength. Matte white ink doesn't reflect the harsh store lights, making the packaging look higher quality than Andrex's competitors. The ink feels soft, so consumers experience the brand proposition physically and psychologically.

We used language to emphasise both quality and value. Most packs are functionally descriptive, so we described the white rolls as 'classic white' and referred to 'nine famously soft rolls'. We also reintroduced the reason to believe on front of pack – 'soft, strong and very long'.



Andrex Skin Kind

Creating instant engagement

The famous Andrex puppy was key to emotionally re-engaging with consumers. Eyes trigger strong reactions – when something looks at you, you look back to understand why – so we focused on the puppy's eyes and face shooting him from above to make him look vulnerable and creating instant engagement.

With his head tilted at a disarming angle and his chin appearing to rest on the shelf edge, he engages directly, making an emotional plea which is difficult to ignore!

The design brought calm to an aisle usually fraught with agitation. The iconic design is simple, stands out and is easily understandable. These techniques were also applied to Andrex's premium added benefit range – using the puppy in a regal way to create pace and personality.

Finally, the messaging hierarchy changed, focusing on the added benefit message rather than the product range. For example, one SKU became 'Skin Kind' instead of Aloe Vera, emphasising quality credentials.



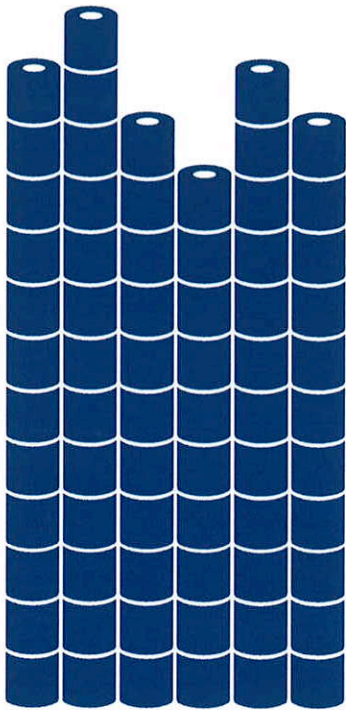
Competition from own label

4. Summary of results

Andrex Toilet Tissue

60.5m

extra toilet rolls sold



All time

revenue record

Results

Andrex's packaging relaunch reaped enormous benefits for the brand, making more money and successfully re-engaging with consumers once more. This is apparent looking at the results against the specific business objectives.

Our key objectives were to:

1. secure scale of 1-2% annual volume growth over 5 years

Value and volume sales increased in every quarter in 2011 post relaunch, peaking at an increase of **9.5 million** extra volume sales in Q4 on the previous quarter, and accounting for **30%** of the market for that quarter (Nielsen, 2012).

Overall volume sales across all dry toilet tissue increased by over **60.5 million rolls**, that's an increase of **+13%** (Nielsen MAT to 12.05.12 vs. previous year), with actual packs increasing by **+8%**. This is against a target of **+4%** volume increase.

Additionally, premium volume sales increased by 2.7% YTD (Nielsen 2011 in Superbrands 2012)

2. improve the quality of revenue and gross margin

Financially 2011 was a phenomenal year for *Andrex*.

It was an all time record for *Andrex* in terms of revenue. It was also the year for attaining a three year high of net sales value – **+8.4%** vs the previous year, meaning an increase of **£27,723,841**.

And finally, 2011 saw a significant increase vs the previous year in gross margin, plus a three year high in operating profit, which is great when the brand and market had been in decline.

4. Summary of results continued

Andrex Toilet Tissue

+15%

market share (value)

'The new *Andrex* pack has also increased emotional engagement and delivered impressive shifts in key metrics. One of the best overall results we've ever seen.'

David Whitelam,
Senior Client Director,
Brainjuicer

3. increase value sales ahead of volume sales (by driving premium volume and base sales)

Overall value sales for *Andrex* dry toilet tissue in the UK increased by **+15%** (Nielsen MAT to 12.05.12 vs. previous year), and volume sales increased by **13%**.

Andrex Mainline White +11.5% increase in value sales
Andrex Gorgeous Comfort Quilts +13% increase in value sales
Andrex Skin Kind Aloe Vera +10% increase in value sales
(Nielsen MAT to 12.05.12 vs. previous year)

This increase in value and volume share, has led to an increase in market share too. From 31.9% in 2010 to 33.4% in 2011 (value) and 24.9% in 2010 to 28.1% in 2011 (volume).

4. deflect attention from price to value (stabilise 'relevance' = 'costs more than I'm prepared to pay')

Brainjuicer's research (2011) showed an improvement in two key indicators in this area. Firstly, 'costs moved to 40% (v. 41% in 2010) and secondly, 'it is more acceptable price' increased by 2% from 16% in 2010 to 18% in 2011. – 'costs more than I'm prepared to pay' (v. 41% in 2010).

5. reassert functional and emotional strengths

Research from Brainjuicer clearly shows that there has been a significant increase in a number of attributes in areas relating to the brand's functional and emotional strengths.

Key highlights from Brainjuicer research:

'Works better'	46% (2011) v. 41% (2010)
'Appeals to you more'	50% (2011) v. 47% (2010)
'Have a higher opinion'	53% (2011) v. 49% (2010)
'Most popular'	70% (2011) v. 67% (2010)
'Meets your needs'	63% (2011) v. 61% (2010)
'Offers something different'	26% (2011) v. 24% (2010)
Unaided awareness – first mention	58% (2011) v. 54% (2010)

'It's notoriously difficult to achieve improved pack standout AND purchase intent, amongst current buyers. The new *Andrex* pack achieved both these feats, and has also increased emotional engagement and delivered impressive shifts in association on key metrics. One of the best overall results we've ever seen.'

David Whitelam, Senior Client Director, *Brainjuicer*

4. Summary of results continued

Andrex Toilet Tissue

Bonding is a measure of emotional attachment to the brand – i.e. ‘the brand I love’. Bonding has significantly increased by 32% from 2010.

The new *Andrex* design scores higher on all attributes than the previous design, amongst buyers and non-buyers:

- Is a brand I can trust
- Is the toilet tissue brand with the greatest heritage
- Is softer, stronger and longer
- Is a family favourite
- Provides more softness than ordinary toilet tissue
- Is modern and up to date
- Is long lasting
- Is a brand I love
- It is worth the price
- It is good value

6. make consumers reappraise the brand and to put *Andrex* on the shopping list – NOT just toilet roll

Andrex's brand personality is now said to be kind and calm and offering extra value.

There has been an increase in premium penetration bringing more consumers into the category and both Charmin and own brand sales declined in 2011, illustrating that *Andrex* had taken sales from its competitors.

4. Summary of results continued

Andrex Toilet Tissue

+34%

share price increase

2.8%

value category growth

£1.3m

in cost savings

Exceeding expectations

All above results are excellent and contribute to the overall success of *Kimberly-Clark*.

On a corporate level, the success of *Andrex* in a difficult category has helped to make *Kimberly-Clark* a more interesting and desirable proposition for investors. *Kimberly-Clark*'s share price had been static for the past decade prior to the relaunches. Post relaunch, the business has seen a 34% share price increase, at a time when stock market values have tumbled.

Not only grown *Andrex*'s own sales but grown the category too
The category has grown by 2.8% in value (Nielsen MAT to 12.05.12 vs. PY)

The redesign has saved *Andrex* money

The ink reduction on Mainline UK products has actually saved £90k, and £300k across Europe. And the reduced colour pallet in the UK has saved £200k on Mainline, £500k across the entire portfolio, and circa £1m in Europe.

'The *Andrex* re-branding is a seminal piece of design work and has had a profound impact on our brands performance'.

Jon White, Marketing Director, *Kimberly-Clark*

5. Other influencing factors

Andrex Toilet Tissue



Andrex



Andrex Washlets

Other influencing factors

Was the success due to TV advertising?

No. *Andrex* considerably reduced its media spend from £5.5m to £3.7m, and the advertising was done in small bursts.

Was the value growth due to price increases?

No. The category increased significantly as a whole but *Andrex* increased in line with, or less than others.

Was volume increase due to promotions on *Andrex* mainline?

No. Whilst promotions remain a feature of the category, *Andrex* promoted a little less than last year (67% v 67.2%) (Nielsen, Dec 2011). Price is a significant driver for shoppers in Tesco and Asda (hence more promotional activity to compete with own-label here) where *Andrex* actually lost share, but significantly gained in Sainsbury's and Morrisons.

Was *Andrex's* success due to any other activity?

In 2011 *Andrex* also redesigned and relaunched its moist toilet tissue proposition – *Andrex Washlets*. This was very successful, but accounts for a small percentage of the *Andrex* business and so the majority of this success would be due to the dry toilet tissue business.

It was a new design toolkit that was key to *Andrex's* success.

In supermarkets, there are anywhere between 25,000 to 35,000 products. Consumers generally stick to a repertoire of 75 to 100 items, which makes it tough for new products to break into the shopping trolley. This challenge is magnified in the world of consumer-packaged goods, particularly in categories of low consumer interest where things are bought on autopilot in three seconds or less. Consumers don't waste their time browsing – they make a functional selection and perhaps a basic price comparison.

Research in the UK has shown that an average of seven words are read on a typical shopping trip and until now designers had used traditional tools like a distinctive colour, physical shape, tone of voice or typographical style to gain instant recognition with consumers.

5. Other influencing factors continued

Andrex Toilet Tissue

In our work with *Andrex*, to build an emotional link with consumers, we have shown how a deeper understanding of how consumers' minds work gives crucial insight on how we can impact shopping behaviour. Sentic triggers are potentially powerful and a new interesting toolkit for designers to use. Because in these busy times, getting a message to cut through and resonate with consumers is more crucial than ever for commercial success.

Research resources

Internal business data

Millward Brown, Jan 2012

Nielsen UK

Nielsen, Dec 2011

Nielsen MAT to 12.05.12

Superbrands Annual 2012

